

Defining & Calculating TANF ASSISTANCE for Determining Welfare-to-Work Eligibility

Purpose and Background

This Desk Tool has been designed for use by front-line Welfare-to-Work (WtW) program staff that meet with potential participants on a day-to-day basis. The purpose of the tool is to help simplify the concept of "TANF assistance" (Temporary Assistance For Needy Families) when it comes to determining WtW eligibility. The tool applies in the context of all laws, regulations, and policy interpretations in place as of the January 2002 publication of this tool, and is expected to remain current until 2004 when all WtW grants are projected to be completed. On occasion, please check the WtW Internet website (<http://wtw.doleta.gov>) for announcements of any legal or policy changes that might impact the tool's accuracy.

The definition of "TANF assistance" for purposes of determining WtW eligibility became broader when the WtW regulations took effect in April 2001. This desk tool was developed to inform you of these changes and to help you ask the right questions and correctly apply the information you receive from TANF to the individual situations of your participants. While we have included possible scenarios in this tool to aid in your practical application of this information, we acknowledge that TANF state and local operations vary widely across the country. Thus, we may not have covered every situation; or, some of the scenarios described may not apply to your circumstances. If you have questions about applying the guidance in this tool to your particular program, please contact your state WtW contact or your Grant Officer's Technical Representative (GOTR).

How the TANF Program Defines "TANF Assistance"

► In the TANF program, "TANF assistance" generally means:

Cash, payments, vouchers, and other forms of cash-equivalent benefits to meet a family's ongoing basic needs for food, clothing, shelter, etc. Supportive services such as transportation and child care services for unemployed families are also considered "TANF assistance."

► In the TANF program, "TANF assistance" generally excludes:

Non-recurrent short-term benefits; wage subsidies to employers; supportive services for employed families such as child care, transportation and work support payments provided to individuals in unsubsidized employment; counseling services; case management services, and other job retention and employment-related services that do not provide basic income support.

Until the April 2001 effective date of the WtW Final and Interim Final Rule, the WtW program used the TANF definition of "TANF assistance" when determining eligibility in all WtW eligibility categories related to individuals' receipt of TANF.

How the WtW Program Defines "TANF Assistance"

Since the April 2001 effective date of the Final and Interim Final Rule, the WtW program has been using a broader definition of the term "TANF assistance" to determine individuals eligible for all WtW eligibility categories related to TANF receipt (except the WtW eligibility category for TANF exhaustees).

This broader WtW definition considers TANF-funded services (non-cash services such as case management or child care), in addition to TANF-funded benefits (cash support such as recurrent cash payments), to be "TANF assistance." Under this definition, the WtW program considers "TANF assistance" to mean:

Any TANF benefits and services for the financially needy according to the appropriate income and resource criteria (if applicable) specified in the state TANF plan.

Please note that these TANF benefits and/or services must be funded by either Federal TANF funds or state Maintenance of Effort (MOE) funds expended in the state TANF program. TANF funds expended in separate state programs (i.e., outside of the requirements of the primary state TANF program) are *not* considered "TANF assistance" for the purposes of determining individuals eligible for WtW. However, for all WtW eligibility categories related to TANF receipt, individuals who are receiving TANF diversion payments and/or services are considered recipients of TANF assistance and for that reason may be determined eligible for WtW if they meet all other applicable eligibility criteria. Since most recipients of TANF diversion payments/services receive these payments/services over a very brief period of time (typically one to six months, depending upon the state or county), you must ensure that the determination of WtW eligibility takes place at the same time that the individual is receiving the TANF diversion payment/service. In other words, the window of opportunity for finding a recipient of TANF diversion payments/services eligible for WtW could be as short as one month.

Please also note that the WtW program considers "TANF recipient" to mean both the head-of-household on the TANF case as well as any additional persons listed by the TANF agency as recipients on the head-of-household's case.



How to Obtain and Apply This Expanded Assistance Information for Determining WtW Eligibility

To apply the new definition, you will need to find out the number of months that an individual has received TANF benefits (cash assistance), non-concurrent with the number of months the individual has received TANF services (non-cash assistance), as both now count toward the calculation of the individual's total length of TANF receipt. The time receiving services and benefits under TANF's predecessor program, AFDC, count in this determination, as well. Typically, when TANF offices provide you with data on an individual's length of TANF receipt, they provide only the number of months of TANF cash benefits that the individual has received. TANF offices are generally not accustomed to providing information on an individual's length of receipt of TANF services, and you should be aware that TANF offices might need additional time to collect and provide this information. When requesting TANF assistance information from TANF offices to verify a WtW applicant's eligibility, you should request:

1. the number of months the individual has received TANF cash benefits, **and**
2. the number of months the individual has received TANF non-cash services while not concurrently receiving TANF cash benefits.

Possible Scenarios

- A current TANF recipient has received twenty months of TANF cash payments (a cash benefit), and then subsequently received ten months of TANF child care (a non-cash service) while no longer receiving TANF cash payments. This individual is now eligible as a long-term TANF recipient under the WtW "general eligibility" provision, because s/he has received TANF assistance for a total of thirty months.
- A current TANF recipient has received TANF cash payments and TANF case management concurrently for ten months. Because you may not count the time receiving benefits and the time receiving services separately, s/he has received TANF assistance according to our definition for a total of ten, not twenty, months, and may now qualify as a recipient of TANF assistance under the WtW "other eligibles" provision if s/he also has characteristics associated with long-term welfare dependence or significant barriers to self-sufficiency.
- A current TANF recipient who has received thirty months of TANF child care (a non-cash service), but no TANF cash benefits, would also be eligible as a long-term TANF recipient under the WtW "general eligibility" provision.
- A current TANF recipient who has received only three months of TANF case management services (a non-cash service), but no TANF cash benefits, may now qualify as a recipient of TANF assistance under the WtW "other eligibles" provision if s/he also has characteristics associated with long-term welfare dependence or significant barriers to self-sufficiency.

Important Notes

- The length of TANF receipt is calculated in monthly increments. Therefore, an individual need not receive TANF assistance every day of a month to qualify as having received a month of TANF assistance. Rather, if an individual received two weeks of child-care in a month, or received one week of TANF cash payments in a month, we consider both scenarios to constitute one month of receipt of TANF assistance. Similarly, if an individual received a payment for three months' worth of TANF benefits in a single month, we consider her/him to have received TANF assistance for three, not one, months.
- In all cases, the months of TANF receipt may be consecutive or non-consecutive.

WtW definition:

Any TANF-funded benefits or services for the financially need according to the appropriate income and resource criteria (if applicable) specified in the state TANF plan

— *applies to:* —

1. Current TANF recipients who have received TANF for at least 30 months ("primary eligibility" provision [formerly the "70% provision"])
2. Current TANF recipients who will become ineligible for TANF within 12 months due to Federal or state-imposed time limits ("primary eligibility" provision [formerly the "70% provision"])
3. Current TANF recipients who have characteristics associated with, or predictive of, long-term welfare dependence ("other eligibles" provision [formerly the "30% provision"])
4. Current TANF recipients who have significant barriers to self-sufficiency as established by the Local Workforce Investment Board ("other eligibles" provision [formerly the "30% provision"])

TANF definition:

Cash, payments, vouchers, and other forms of cash-equivalent benefits to meet a family's ongoing basic needs; supportive services such as transportation and childcare provided to families who are not employed

— *applies to:* —

1. Individuals no longer receiving TANF because they have already reached a Federal or state-imposed time limit ("primary eligibility" provision [formerly the "70% provision"])

Applicable Regulations

- Department of Labor, Office of Welfare-to-Work: WtW Regulations, 20 CFR Part 645.212(d), Final and Interim Final Rule published at 66 Fed. Reg. 2690 (Jan. 11, 2001), effective date: April 13, 2001
- Department of Health and Human Services, Office of Children and Families: Temporary Assistance to Needy Families (TANF), 45 CFR Part 260.31, Final Rule published at 64 Fed. Reg. 17720 (April 12, 1999)

Pertinent Websites

- DOL/ETA/WtW website—<http://wtw.doleta.gov>
- HHS/ACF website—<http://www.acf.dhhs.gov>

Supporting Publications Available on the Internet

- WtW Questions and Answers and Associated Directives at <http://wtw.doleta.gov>
- *Helping Families Achieve Self-Sufficiency: A Guide on Funding Services for Children and Families through the TANF Program* at <http://www.acf.dhhs.gov/programs/ofa/funds2.htm>